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MAF-A-681

2 July 1961

Chief, Foreign Division M
Attention: []
Chief of Station, Vienna

Operational

[] Meeting with Inspector Wilhelm DISTRICH

Reference: MAF-A-452

1. [] met with Inspector Wilhelm DISTRICH in Bremen on 26 June 1961, in []'s hotel room at the Hotel Weissen Kreuz. [] registered at the hotel with a forged Austrian identity card in the name of []. The meeting with DISTRICH had been pre-arranged by letter from [] to DISTRICH's mother, as suggested by DISTRICH at the first meeting in April.
2. In the meantime, Jan GAJNISKI had been interrogated by CIC, Lima and the interrogation report is attached to this report as Appendix 1. Contact between DISTRICH and CIC ceased in early June and DISTRICH was informed by CIC that someone else would probably contact him. He was therefore not greatly surprised to get []'s letter.
3. In the course of a three-hour meeting, DISTRICH submitted the following information on the Verarlberg gendarmerie set-up, his relationship with MUELLER and RITTMANN, and his operational capabilities:

a. The Verarlberg Security Directorate

Bregenz is the only Austrian provincial capital without a federal police directorate. All police functions, including state police functions, are exercised by the gendarmerie; state police agencies are handled by the Investigation Section (Erhebungsgruppe) of the gendarmerie, which is headed by DISTRICH. The Bregenz gendarmerie detachment and the Erhebungsgruppe are responsible directly to Security Director Dr. Johann STERNRACH for operational guidance and control. Gendarmerie detachments in other Verarlberg towns are responsible to the local district commissioner (Bezirkshauptmann). In administrative matters only, all gendarmerie personnel are subordinate to Colonel Friedrich HANL, the Landesgendarmeriekommandant. The relations between STERNRACH and the French authorities are not cordial, and STERNRACH had limited official contact to the absolute minimum. The French, therefore, frequently circumvent STERNRACH by requesting assistance from Colonel HANL, despite the fact that the command situation in the gendarmerie has been frequently and amply explained to the French authorities. (DISTRICH showed [] a letter written by the French Public Safety Officer to "Monsieur le Landesgendarmeriekommandant, Colonel HANL", requesting the gendarmerie to

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investigate a person who had been denounced to the French anonymously as a Communist agent.) DITTRICH described HARK as a very correct official, to whom the frequent requests from the French are a matter of embarrassment. He refers all these requests to DITTRICH for action. The Investigation Section is also the recipient of many requests from Greenberger 1's office and DITTRICH criticized that office for slowness, poor coding, and poor efficiency in general. He expressed a great deal of respect, however, for Greenberger 1 personally.

b. The DITTRICH-MUELLER-BITSCHEAU Relationship

DITTRICH recruited Dr. Erich MUELLER in 1947 as an informant for the Verarlberg Security Directorate. MUELLER and DITTRICH soon realized that they could not get along on the meager funds allotted them by the Austrian Government and MUELLER established the contact with Haupt MANDEL, and later with BITSCHEAU. DITTRICH never met MANDEL and all reports were passed via MUELLER who paid DITTRICH 2,000 Schillings a month on behalf of MANDEL. MUELLER receives 800 Schillings a month from the Security Directorate, but Greenberger 1 recently instructed STEINBACH to cut MUELLER's salary to 500 Schillings. The reasons for that reduction are unknown to DITTRICH, who does not see any of MUELLER's reports, which the latter passes directly to STEINBACH.

DITTRICH describes MUELLER as a capable but unscrupulous and loose-mouthed person who is not beyond compiling bits of information on U.S. intelligence in Germany, picked up from MANDEL, into occasional reports which he passes to STEINBACH. STEINBACH recently refused to forward such a report to Greenberger 1 on the grounds that such matters were of no interest to the Austrian Government. DITTRICH believes that MANDEL confides too much in MUELLER. DITTRICH further believes that MUELLER is fabricating some of his information with the help of a small library of espionage literature and reference books which DITTRICH has seen in MUELLER's room. MUELLER maintains good contacts with the French IS and receives 500 Schillings a month from the French. DITTRICH believes that there is considerable danger of MUELLER passing copies of the reports destined for MANDEL to the French. When OIG stopped paying DITTRICH in early June, MUELLER offered 2,000 Schillings to DITTRICH which he claimed to have obtained from MANDEL. DITTRICH accepted since he needed funds to continue his operations.

BITSCHEAU has lately been supplying the Innsbruck police with embellished and fabricated information on the KPOs. He furthermore complained to DITTRICH that the U.S. was not paying him enough for his "newspaper work". So far, BITSCHEAU has not been employed by State Secretary Ferdinand GRAY's intelligence service and he told DITTRICH that the whole plan for a "GRAY I.S." had to be postponed indefinitely due to a shortage of funds. DITTRICH expressed again his conviction that BITSCHEAU was a dishonest person, a scoundrel and an intriguer.

c. The DITTRICH-GAJENSKI Relationship

read pertinent parts of the GAJENSKI interrogation report to DITTRICH who agreed on a whole with GAJENSKI's statements made therein,

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but expressed the view that GAJNWEKI worked primarily for WINSTHAL and secondarily for GIG. When GAJNWEKI introduced DIERICH to "Mr. SIMON of GIG (WINSTHAL)", DIERICH became suspicious and attempted to check on SIMON through police inspector Maximilian MATTER, who confirmed GAJNWEKI's story and later told WINSTHAL that DIERICH had attempted to check on him. DIERICH is certain that MATTER is on WINSTHAL's pay roll and is now working for the Israeli I.S. in Klagensfurt. In the meantime, DIERICH obtained indirect proof that WINSTHAL is an important member of the Israeli I.S. (see WAS-A-582, Subject: Kurt HUBERT, Israeli I.S. Agent).

4. DIERICH's Operational Capabilities

- (1) DIERICH has access to gendarmerie files in Vorarlberg and can conduct investigations in Vorarlberg and Tyrol. There is close cooperation between Vorarlberg and Tyrol gendarmerie agencies, only the Innsbruck federal police directorate is not cooperative, and DIERICH has to wait two or three months for answers to requests addressed to the Innsbruck police. DIERICH has asked STEINBACH to make representations in this matter to the Security Directorate for Tyrol and he hopes that the situation will soon improve.

- (2) The following agents are on DIERICH's pay roll at present; and have been identified to Greenpeace 1 by the following code letters:

Source A: A former NS Agent, at present a commercial traveller. He reports on East-West trade. (Source A is (fma) KYASHITKA, mentioned in pages 5 - 9 of the GAJNWEKI interrogation.)

Source B: A KPO member who maintains close contact with the Vorarlberg Landesleitung of the KPOs. This source is responsible for the LANGENHOF and GIBBERN reports channelled to Ripper and Weng.

Source C: A woman employee of the Vorarlberg KPO daily "Neue Tageszeitung".

Source D: A former RSHA/VI agent, who reported on the French-sponsored resistance movement in Vorarlberg and Tyrol. According to DIERICH, it was MUELLER who brought the resistance movement to the attention of Greenpeace 1 which led to official representations by the Austrian Government to General BETHOUART and finally caused the French to abandon their plans in this matter. Source D is at present inactive.

Source E: Emil HUBERMAN, a police officer with the Spezialdienst, St. Gallen Cantonal Police, with whom DIERICH carries on a semi-official liaison. HUBERMAN is in contact with a Major Hans HAUBMANN, a Swiss I.S. officer who owns an optical firm in St. Gallen. DIERICH has met HAUBMANN who appears to be concerned mainly with the collection of CB information on Soviet troops in the East Zone of Germany, and in the Balkans. He is also believed to work for the British I.S. During the war, HAUBMANN was attached to the Swiss General Staff. (If ☒ remembers correctly, one Major HAUBMANN was mentioned in late 1949 as a director of the Firm Intervendo, and a Swiss I.S. officer, by the Vienna Station agent then handled by Bollina.) There is material on HAUBMANN in the ☒ ☒ files.)

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Source G: Kurt HUGERT, Israeli I.S. Officer (See MAS-A-583).

Source I: A representative of the SAFO Group.

- (3) In addition, DIXTRICH has a number of casual informants; one of them is the mother of a former Nazi who is now an army instructor in Syria. She supplied the names of Germans and Austrians serving in the Syrian Army, which DIXTRICH passed to "Mr. SIMON of CIC" (WIRTSCHAFT). DIXTRICH also maintains semi-official liaison with German police authorities in Lindau, French zone, Germany.
- (4) DIXTRICH requested 2,000 Schillings a month as an absolute minimum to carry on his operations. [] pointed out to DIXTRICH that some of his reports on low-level KPO figures in Vorarlberg were of little interest to the U.S. and DIXTRICH replied that he realized that, but was under instructions from Greenberger 1 to report as extensively as possible on KPO matters. DIXTRICH added that he would make every effort to be of service to us in reporting on foreign agents and in carrying out investigations at our request. He claimed to have been approached on several occasions by the French I.S., but to have turned the French down.
4. [] promised to meet DIXTRICH again in about three weeks in Innsbruck where DIXTRICH would like to travel -- -- -- in order to confer with gendarmerie officials there. It is [] opinion that DIXTRICH is an efficient and correct person, who could be counted on as a reliable informant if it were made clear to him by Kipper that he could not count on [] remittances from MANDEL through MUELLER. (According to [] the MANDEL-DIXTRICH connection is in the process of being covered.) As long as Kipper continues to pay DIXTRICH, there is little point in buying second copies of his reports. Regarding MUELLER, DIXTRICH believes that MANDEL should continue paying him a few hundred Schillings per month since DIXTRICH believes MUELLER capable of eventually going over completely to the French and possibly to the Soviets, if his income from the U.S. and Greenberger 1 were reduced to the 300 Schillings a month paid by the latter. [] formed the impression that something was left unexplained in the DIXTRICH-MUELLER relationship and it is hoped that some more light might be thrown on this matter by DIXTRICH in the future, if he gets to know [] better.
5. We believe that the direct DIXTRICH contact is worth exploring for at least three months and are preparing a provisional draft outline to cover an expenditure of 2,000 Schillings per month. [] has given DIXTRICH 500 Schillings from [] funds as a sign of good faith. If we can achieve exclusive control over DIXTRICH, we should have a long range police contact of the caliber of [] (in his Gras job). Meanwhile, we may develop interesting information on the French I.S., Kipper and on DIXTRICH's Swiss and German contacts.

2 - Wash v/l Incl.
2 - Vien
2 - Sala
cc: []
cc: PGB

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